



**User Guideline
for
Slaughter Cattle and Sheep
Mandatory Price Reports**

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CATTLE REPORTS

Definitions

NEGOTIATED - Cash deal negotiated between buyer and seller where the price is known at the time the deal is struck and will not change regardless of how the cattle perform. All that is needed for payment is weight. Slaughter is expected within 14 days, and usually within 7 days.

NEGOTIATED GRID BASE - The base price is negotiated between buyer and seller and is known at the time the deal is struck and delivery is expected within 14 days. However, the final net price will be determined by applying a series of premiums and discounts after slaughter based on carcass performance.

NEGOTIATED GRID NET - The final price paid to the producer after the premiums and discounts have been applied to the negotiated grid base.

FORMULA BASE - The base price is not negotiated but is based on some other price (such as plant average or weighted average price) or value determining mechanism that may or may not be known at the time the deal is struck. The final net price is determined after application of premiums and discounts. The producer normally has few, if any options, concerning the pricing once the formula is agreed to.

FORMULA NET - The final price paid to the producer after premiums and discounts have been applied to the formula base.

FORWARD CONTRACT BASE - A price based off the CME, or some other publicly available price that is available for months in advance. This base price is normally a moving target that the producer has the option to nail down at some point during the life of the contract. A forward contract may also be a firm cash price for delivery in excess of 14 days.

FORWARD CONTRACT NET - The final net price paid to the producer after any adjustments have made to the forward contract base.

COMMITTED - Cattle are reported as 'committed' as soon as they are scheduled for slaughter.

DELIVERED - Cattle are reported as 'delivered' when they are unloaded at the plant.

3/70/20 RULE - In order for a report (regional or national) to be published, at least 3 companies have to submit data 50% of the time or more over a 60-day period. No one company can account for 70% or more of the cumulative market volume for any individual report over a 60-day period. In cases where only one company submits data for individual reports, the same company can not be the sole reporting entity more than 20% of the time during a 60-day period.

Packer-Owned Cattle - Cattle that a packer owns for at least 14 days immediately before slaughter.

Negotiated Reports

Daily Reports

- All reports labeled “afternoon” include cash sales from 9:30am through 1:30pm current day.
- All reports labeled “morning” include cash sales from 1:30pm previous day through 9:30am current day.
- All reports labeled “summary” include cash sales from 9:30am previous day through 9:30am current day (summary of afternoon and morning reports).
- All weighted average reports include fed cattle cash sales from 9:30am previous day through 9:30am current day.

Release Times

- All afternoon reports will be released by 3:00pm Central Standard Time
- All morning reports will be released by 11:00am Central Standard Time
- All summary reports will be released by 11:15 Central Standard Time
- All weighted average reports will be released by 11:15 am Central Standard Time

Weekly Reports

- All weekly cash reports include sales from 9:30am Central Standard Time on Monday through the following Monday at 9:30am.
- All weekly cash reports will be released by 11:30am Central Standard Time every Monday.

General Information

- ***All National and Regional Direct Negotiated reports (LM_CT113 through LM_CT124 as well as weeklies LM_CT154, 156, 157 and 158), will now also include Negotiated Grid Base Sales in a separate section.*** Negotiated Grid Net sales will be found on the National Formula reports (LM_CT107, 108, 109 and 151, 152). The Negotiated Grid Base sales are included on the negotiated reports because much of industry considers it to be a part of the “cash” trade.
- Packers must submit to LGMN all negotiated transactions as soon as the price is known. They must submit actual head count, price, estimated weight of the lot, estimated dressing %, estimated % Choice or Better, and the actual State of Origin of the cattle.
- Weights on all negotiated reports for fed cattle are “best estimates” provided by the buyers.

- The majority of reported weights on all direct cow reports (LM_CT101, 102 and 103) are actual weights. In the case of cows, most prices will not be reported until after slaughter (this is usually when the final price is determined).
- All regional reports are based on state of origin where the cattle were fed to slaughter weight.
- On all Weighted Average Reports (LM_CT100, 125, 126, 127, 128, 129) the total confirmed head count at the top of the report includes Steers, Heifers, Mixed Steer/Heifer lots, Dairybreds, and Mixed Steer/Heifer/Cow lots (all fed cattle). The body of the report shows Steers and Heifer lots only.
- All daily reports show Live FOB and Dressed Delivered sales only. The weekly fed cattle reports will include any Live Delivered or Dressed FOB sales that occurred throughout the week (the total confirmed head counts at the top of every daily and weekly report includes everything).

Negotiated Report List

LM_CT100: 5 Area Daily Weighted Average Direct Slaughter Cattle
 LM_CT101: National Daily Direct Slaughter Cow and Bull - morning
 LM_CT102: National Daily Direct Slaughter Cow and Bull - afternoon
 LM_CT103: National Daily Direct Slaughter Cow and Bull - summary
 LM_CT113: National Daily Direct Slaughter Cattle - morning
 LM_CT114: National Daily Direct Slaughter Cattle - afternoon
 LM_CT115: National Daily Direct Slaughter Cattle - summary
 LM_CT116: Texas-Oklahoma-New Mexico Daily Direct Slaughter Cattle - morning
 LM_CT117: Texas-Oklahoma-New Mexico Daily Direct Slaughter Cattle - afternoon
 LM_CT118: Texas-Oklahoma-New Mexico Daily Direct Slaughter Cattle - summary
 LM_CT119: Kansas Daily Direct Slaughter Cattle - morning
 LM_CT120: Kansas Daily Direct Slaughter Cattle - afternoon
 LM_CT121: Kansas Daily Direct Slaughter Cattle - summary
 LM_CT122: Nebraska Daily Direct Slaughter Cattle - morning
 LM_CT123: Nebraska Daily Direct Slaughter Cattle - afternoon
 LM_CT124: Nebraska Daily Direct Slaughter Cattle - summary
 LM_CT125: TX/OK/NM Daily Weighted Average Direct Slaughter Cattle
 LM_CT126: Kansas Daily Weighted Average Direct Slaughter Cattle
 LM_CT127: Nebraska Daily Weighted Average Direct Slaughter Cattle
 LM_CT128: Colorado Daily Weighted Average Direct Slaughter Cattle
 LM_CT129: Iowa-Minnesota Daily Weighted Average Direct Slaughter Cattle
 LM_CT130: National Slaughter Cattle Review - morning
 LM_CT131: National Slaughter Cattle Review - afternoon
 LM_CT150: 5 Area Weekly Weighted Average Direct Slaughter Cattle
 LM_CT154: National Weekly Negotiated Direct Slaughter Cattle

LM_CT156: TX/OK/NM Weekly Negotiated Direct Slaughter Cattle
LM_CT157: Kansas Weekly Negotiated Direct Slaughter Cattle
LM_CT158: Nebraska Weekly Negotiated Direct Slaughter Cattle
LM_CT163: TX/OK/NM Weekly Weighted Average
LM_CT164: Kansas Weekly Weighted Average
LM_CT165: Nebraska Weekly Weighted Average
LM_CT166: Colorado Weekly Weighted Average
LM_CT167: Iowa-Minnesota Weekly Weighted Average
LM_CT168: National Weekly Direct Slaughter Cow and Bull report
LM_CT170: 5 Area Annual Weighted Average
LM_CT173: TX/OK/NM Annual Weighted Average
LM_CT174: Kansas Annual Weighted Average
LM_CT175: Nebraska Annual Weighted Average
LM_CT176: Colorado Annual Weighted Average
LM_CT177: Iowa-Minnesota Weighted Average
LM_CT180: Monthly 5 Area Weighted Average
LM_CT181: TX/OK/NM Monthly Weighted Average
LM_CT182: Kansas Monthly Weighted Average
LM_CT183: Nebraska Monthly Weighted Average
LM_CT184: Colorado Monthly Weighted Average
LM_CT185: Iowa-Minnesota Monthly Weighted Average

All reports can be found on the USDA website by going to Cattle-Slaughter-Direct and then selecting either the National or Regional link.

Formula Reports

Daily Reports

- All reports labeled “afternoon” include formula cattle priced (final net price after slaughter) from 9:30am through 1:30pm current day.
- All reports labeled “morning” include formula cattle priced (final net price after slaughter) from 1:30pm previous day through 9:30am current day.
- All reports labeled “summary” include formula cattle priced (final net price after slaughter) from 9:30am previous day through 9:30am current day (summary of afternoon and morning reports).

Release Times

- All afternoon reports will be released by 3:00pm Central Standard Time
- All morning reports will be released by 11:00am Central Standard Time
- All summary reports will be released by 11:15 Central Standard Time

Weekly Reports

- The weekly National Direct Slaughter Cattle - Formula and Forward Contract (LM_CT151 and LM_CT152) reports will be released by 11:30am Central Standard Time every Monday.
- All other weekly formula reports (LM_CT159, 160, 161, 162) will be released by 10:00am Central Standard Time every Monday.

General Information

- ***All National Formula Reports (lm_ct107, 108, 109, 151, 152) includes formula net sales and now also includes a section for negotiated grid net sales.*** Negotiated grid base sales will be found on the negotiated reports (lm_ct113-lmct124 and lm_ct154, 156, 157 and 158).
- For cattle purchased on a formula basis, the packer must first submit the base price as soon as it is known, with head count, base price, estimated weight, estimated % Choice or better, estimated dressing %, and state of origin of the cattle.
- Once the cattle have been slaughtered and all kill data is known, the packer then must submit this same lot again with the final net price, actual weights, actual dressing percentage and % Choice or Better, as well as all premiums and discounts which were applied to that specific lot. These net prices, along with actual weight and grading information, are what is shown on the formula reports.
- All net prices shown on the formula reports reflect cattle that have been slaughtered and have a final price attached to them.

- The weekly CT159, 160, 161, and 162 formula reports show cattle slaughtered in that region (sorted by location of the plant), while all others (Ct107, 108, 109, 151, 152) are sorted by location of where the cattle were fed to slaughter weight. Therefore the weekly regional reports (159, 160, 161 and 162) show numbers slaughtered in that region rather than fed in that region.

Report List

LM_CT107 National Daily Direct Slaughter Cattle - Formula Purchases - morning
 LM_CT108 National Daily Direct Slaughter Cattle - Formula Purchases - afternoon
 LM_CT109 National Daily Direct Slaughter Cattle - Formula Purchases - summary
 LM_CT151 National Weekly Direct Slaughter Cattle - Formulated and Forward Contract Purchases - Domestic
 LM_CT152 National Weekly Direct Slaughter Cattle - Formulated and Forward Contract Purchases-Imported
 LM_CT159 National Weekly Direct Slaughter Cattle - Formula Purchases
 LM_CT160 Texas-Oklahoma-New Mexico Weekly Direct Slaughter Cattle - Formula Purchases
 LM_CT161 Kansas Weekly Direct Slaughter Cattle - Formula Purchases
 LM_CT162 Nebraska Weekly Direct Slaughter Cattle - Formula Purchases

Forward Contract Reports

Daily Reports

- There are no daily forward contract reports released due to the fact this report does not meet the 3/70/20 guideline.

Weekly Reports

- All weekly forward contract reports will be released by 11:30am Central Standard Time.
- All weekly forward contract reports include sales from 9:30AM Central Time on Monday through the following Monday at 9:30AM.

General Information

- All weekly forward contract information can be found on the weekly formula and forward contract report (LM_CT151, 152 and 153 part C).
- Contracts first appear on the CT153 part C report when the contract is signed with head count, month of delivery and basis (deviation from CME price or other price).
- Packers must submit the contract base price as soon as it has been established.
- Once the cattle have been slaughtered and all kill data is known, the packer then submits the lot again with the final net price, actual weights, actual dressing %, actual % Choice or better and State of Origin of the cattle. If any premiums and/or discounts were applied to the lot then the plant must submit these as well. These net prices and actual grading data are shown on the forward contract reports.
- All net prices shown on the forward contract reports reflect cattle that have been slaughtered and priced.

Report List

LM_CT151 National Weekly Direct Slaughter Cattle - Formulated and Forward Contract Purchases - Domestic

LM_CT152 National Weekly Direct Slaughter Cattle - Formulated and Forward Contract Purchases- Imported

LM_CT153 National Weekly Direct Slaughter Cattle - Packer Owned Cattle

Committed and Delivered Reports

Daily Reports

- All reports labeled “afternoon” include numbers from 9:30am through 1:30pm current day.
- All reports labeled “morning” include numbers from 1:30pm previous day through 9:30am current day.
- All reports labeled “summary” include numbers from 9:30am previous day through 9:30am current day (summary of afternoon and morning reports).

Release Times

- All afternoon reports will be released by 3:00pm Central Standard Time
- All morning reports will be released by 11:00am Central Standard Time
- All summary reports will be released by 11:15 Central Standard Time

Weekly Reports

- We currently do not release a weekly Committed and Delivered report.

General Information

- Packers must submit twice a day the number of cattle they scheduled for slaughter (Committed) as well as the number of cattle unloaded at the plant that day (Delivered).
- They also must report the purchase type (i.e. negotiated, negotiated grid, formula or forward contract), head count, and State of Origin of the cattle.
- The purpose of the committed and delivered reports is to present a snapshot of the numbers and types of cattle that have been scheduled for slaughter and that have arrived at packing plants on a given day.
- This report also shows a breakdown by state as to how many cattle were committed and delivered that day.

Report List

LM_CT104 National Daily Direct Slaughter Cattle - Committed and Delivered - morning
LM_CT105 National Daily Direct Slaughter Cattle - Committed and Delivered - afternoon
LM_CT106 National Daily Direct Slaughter Cattle - Committed and Delivered - summary

Other Cattle Reports

Other reports we release on a weekly basis are the Premium-Discount report (LM_CT155 and 159), the Packer-Owned Report (LM_CT153), and the National Slaughter Cattle Review (LM_CT130, 131) which is released on a daily basis.

Premium-Discount Reports

- The LM_CT155 and CT159 are released once a week on Monday by 10:00AM Central Standard Time.
- These reports reflect all the Premiums and Discounts (Grid) the plants expect to have in effect for the current slaughter week.
- The CT155 reflects premiums and discounts from plants on a National Basis.
- The CT159 is a 5-Area Weighted Average Premium-Discount report. It is based on plants in the 5-Area and is weighted on slaughter capacity of each company.

Packer-Owned (which also includes formula and forward contract information)

- The LM_CT153 has three sections: A. The packer-owned section, B. Prior-week slaughtered formula and forward contract head counts, and C. Forward Contract head count and delivery month section.
- For Section A: the plant must submit the number of packer-owned cattle (ownership for more than two weeks) that were slaughtered during the prior week. It also shows grading information on the cattle.
- For Section B: The plant must submit the actual head counts of formula and forward contract cattle killed in the previous week.
- For Section C: For forward contracts, the plant must submit the head count, basis level and the delivery month in which the cattle are coming. This information must be reported as soon as they make the deal. This report is intended to show the number of cattle contracted for several months in advance. This section of the report keeps a running total of the number of contract cattle being delivered in a specific month.

National Slaughter Cattle Review

- The afternoon National Slaughter Cattle Review (LM_CT130) is an accumulation of data from 9:30am to 1:30pm current day and is released by 3:00pm Central Standard Time. The afternoon review includes the most recent cash head count nation-wide, cash sales and weighted averages from the 5-Area Weighted Average. It also includes the most recent national steer and heifer formula head count, average weight, and a weighted average net price (from cattle slaughtered).

- The morning National Slaughter Cattle Review (LM_CT131) is a summary of accumulated data from 9:30am previous day through 9:30am current day and is released by 11:15am Central Standard Time. This report has four sections: 1) Confirmed Cash Sales head count nation-wide, Committed, and Delivered head counts 2) Cash prices and weighted averages from the 5-Area Weighted Average 3) Steer and heifer formula head count, average weight, and weighted average net price, and 4) National Direct Cow and Bull cash prices.

SHEEP REPORTS

Definitions

NEGOTIATED - A cash deal negotiated between buyer and seller where the price is known at the time the deal is struck and will not change regardless of how the lambs perform. All that is needed for payment is weight.

FORMULA PURCHASE - Purchase where the base price may or may not be known at the time the deal is struck whereby the final price is often determined by how the lambs perform and by applying a series of premiums or discounts.

FORWARD CONTRACT PURCHASE- An agreement made in advance of slaughter where the base price is derived from some publicly available price and the final price may or may not be determined by applying a series of premiums or discounts.

COMMITTED – Lambs are reported as committed as soon as they are scheduled for slaughter.

DELIVERED – Lambs are reported as delivered when they are unloaded at the plant.

Negotiated and Formula Reports

Daily Reports

- The daily negotiated “cash” and formula reports will be released everyday by 3:00pm central standard time.
- The cash and formula numbers can be found on the same daily report.
- Each section of the daily reports will only be released with new information if that particular section passes the 3/70 guidelines on that day (no one packer can have more than 70% of the volume on that particular day).
- If a particular section does not pass the 3/70 guideline that day, the data will be accumulated until the next day (and so forth) until it passes the requirements to print. If the data does not meet the requirement on a certain day, the most recent market will be printed.
- Packers must submit, one time a day, the number of head they purchased, whether it was a cash or formula purchase, weights, price, state of origin, and any premiums or discounts on formula purchases.
- Lambs on the Western Regional reports are based on State of origin of the lambs.
- The Western Reports include sales from Montana, Wyoming, Colorado, New Mexico, Arizona, Utah, Nevada, Idaho, Oregon and Washington. It also includes sales from North Dakota, South Dakota and Nebraska if they are going to a Western plant.

Report List

- LM_LM302: National Daily Lamb Report (Negotiated and Formula Purchases)
- LM_LM304: Western Daily Lamb Report (Negotiated and Formula Purchases)

Committed and Delivered Reports

Daily Reports

- The LM_LM301 (National Daily Lamb - Committed and Delivered) and the LM_LM303 (Western Daily Lamb - Committed and Delivered) will be released by 3:00pm Central Standard Time.
- Packers must submit once a day, the number of lambs they scheduled for slaughter (Committed). They must also report the number of lambs unloaded at the plant that day (Delivered).
- They also must report the purchase type (cash, formula, or forward contract) and State of Origin of the lambs.

Weekly Lamb Reports

National and Western Weekly Lamb Reports

- The LM_LM351 (National Weekly Lamb) and LM_LM355 (Western Weekly Lamb) will be released on the second reporting day of the current slaughter week.
- These reports have four sections: 1) Prior Week Slaughtered Head Counts 2) Slaughtered Packer Owned Sheep 3) Forward Contract Purchases and 4) Formula Purchases.
- For the first section the packer must submit the actual number of domestic and imported lambs that were slaughtered on a formula or forward contract basis.
- For the second section the packer must submit head counts and carcass data for any packer-owned (ownership for more than two weeks) lambs.
- For the third section the packer must submit information on any forward contract purchases from the previous week. These types of purchases are not that common and we often do not receive any forward contract information.
- For the fourth section the packer must submit their formula purchases from the previous week. All prices submitted are the final net prices after slaughter and after all actual grading information is known.
- The Western Weekly Lamb Report (LM_LM355) reflects purchases by location of the packer - not state of origin of the lambs like most other reports.

National and Western Weekly Sheep Review

- The LM_LM352 (National Review) and LM_LM353 (Western Review) will be released every Friday by 4:00pm Central Standard Time.
- These reports are an accumulation (summary) of everything that was submitted to AMS on a daily basis throughout the current slaughter week.
- These reports include negotiated, formula, and forward contract purchases as well as committed and delivered numbers throughout the week.
- Lambs on the Western Review are based on State of origin of the lambs.
- The Western Review includes sales from Montana, Wyoming, Colorado, New Mexico, Arizona, Utah, Nevada, Idaho, Oregon and Washington. It also includes sales from North Dakota, South Dakota and Nebraska if they are going to a Western plant (same as the daily report).

Premium and Discount Report

- The LM_LM350 (National Premium and Discount report) and the LM_LM354 (Western Premium and Discount report) are supposed to be released on Monday mornings, but this report does not meet the 3/70/20 guidelines, therefore does not get printed.